

MINUTES OF THE BOARD OF DIRECTORS REGULAR MEETING

TUESDAY ~ JANUARY 17, 2017 ~ 6:00 P.M.

FORT SMITH PUBLIC SCHOOLS SERVICE CENTER

The meeting was called to order by Mayor Sandy Sanders, presiding. Invocation was given by Director Don Hutchings, followed by the Pledge of Allegiance. On roll call the following members of the Board were present: Directors Keith Lau, Mike Lorenz, George Catsavis, Tracy Pennartz, Kevin Settle and Don Hutchings. The Mayor declared a quorum present. Director Andre' Good arrived during presentation of Item No. 2.

Mayor Sanders inquired if any Board member had any item of business to present that was not already on the agenda. There was none presented.

The minutes of the January 3, 2017 regular meeting was presented for approval. Lau, seconded by Settle, moved approval of the minutes as written. The members present all voting aye, the Mayor declared the motion carried.

Item No. 1 was a presentation by the Girl Scout Diamonds of Arkansas, Oklahoma, and Texas.

Girl Scout Cadet Jordan Geoates, Troop 4383, addressed the Board advising cadets have opted to utilize a portion of the cookie proceeds to assist with cadet projects. This year, cadets have opted to make cultural boxes, which will be filled with books, activities, games, worksheets, toys, etc. associated with the chosen country, and provided to children attending the Lincoln Daycare/Preschool.

Cadet Kathryn Kaelin, Troop 4383, also addressed the Board advising Girl Scout cookie orders will be initiated on Saturday, January 21 and the first deliveries are

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anticipated the first week of March. In 2017, a new cookie is being presented to celebrate 100 years of Girl Scout Cookies, i.e. the Smore. Booth sales will be initiated at local businesses on or about March 3.

Girl Scout Daisies Bella Pergeson, Destiny Robertson, Lauren Henry, Trinity Alexis, Destanee Ridenour and Lily Turner, all from Troop 4293, then served cookies to the Mayor, each member of the Board and Administration, and all those in attendance.

Item No. 2 was a resolution accepting the bid of and authorizing a contract with Forsgren, Inc. for providing of on-call contractual services for Annual Sewer Collection System Improvements, Project No. 16-18-C1 (*not to exceed \$998,480.00 / Utility Department / Budgeted - Sewer Revenue Fund*) ♦ *Future Fort Smith Item* • *Consent Decree Item*

Interim Director of Utilities Bob Roddy addressed the Board advising the project establishes unit prices for items of unforeseen work to be performed at wastewater facilities during the year. The work will encompass two (2) work scenarios, i.e. response to an immediate emergency, which removes the necessity of "*negotiating with a contractor in an alley at midnight*", and to expedite repairs on a time sensitive system defect. An example of an immediate emergency occurred last year with sewer replacement on Brockman from North 43rd Street to North Albert Pike whereby it was necessary for the construction to begin prior to unit prices being negotiated and approved by the Board. Utility staff sees this as a more efficient and cost effective approach to handling said situations. The contractor will only be paid for worked performed. The low bid for the project was submitted by Forsgren, Inc. in the amount of \$1,515,230.00. Said amount exceeded the amount budgeted for this purpose; therefore, the quantities of items in the

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bid were adjusted to bring the contract amount below the budgeted amount with a negotiated bid amount of \$998,480.00. The proposed establishes unit price in advance, expedites repairs for better service to the community and complies with the City's procurement code; therefore, he recommended approval.

Hutchings, seconded by Lorenz, moved adoption of the resolution. Prior to the vote, Director Pennartz questioned the actual amount disbursed for emergency repairs in 2016 and inquired if the proposed amount will be included in future years budgets.

Mr. Roddy, along with comments from Deputy Director of Systems Jimmie Johnson, advised approximately \$250,000 was expended in 2016 for actual emergency repairs; however, it's very likely that "*millions of dollars*" are expended each year that the proposed contract could include citing many repairs in need of expeditious attention were merely incorporated into other projects via change orders, at a higher unit price. He reiterated the proposed contract includes situations that staff may see an issue is fast approaching and an immediate repair is necessary to prevent a greater cost down the road. The Utility Department's intent is to prevent a bad situation from being worse by, at least, ensuring the unit price prior to work being performed, which will ultimately save taxpayer dollars. With regard to future budgetary requests regarding same, he confirmed that such will be included each year.

Director Settle requested confirmation the City will be charged only for work performed whereby Mr. Roddy responded affirmatively.

The motion remaining on the floor and the members all voting affirmatively, the

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Mayor declared the motion carried and the resolution was adopted and given Resolution No. R-4-17.

The Consent Agenda (Item No. 3) was introduced for consideration, the items being as follows:

- A. Ordinance authorizing the Mayor to execute agreements for certain services for inhabitants of the city of Fort Smith (*Area Agency on Aging, SRCA and Project Compassion*) (\$232,500.00 / *Finance Department / Budgeted - County Sales Tax*)
- B. Ordinance authorizing the Mayor to execute an agreement for certain services for inhabitants of the city of Fort Smith (*Utility Reimbursement Fort Smith Museum of History*) (\$20,000.00 / *Finance Department / Budgeted - General Fund*)
- C. Resolution authorizing partial payment to Forsgren, Inc. for the construction of Jenny Lind Road and Ingersoll Avenue Widening Project, AHTD Job 040471, City of Fort Smith Project No. 07-01-A (\$1,206,056.69 / *Budgeted / Engineering Department - Sales Tax Program*) ♦ *Future Fort Smith Item*
- D. Resolution accepting completion of and authorizing final payment for the construction of the 2015 Drainage Improvements, Phase B, Project No. 15-06-B (\$6,419.19 / *Budgeted / Engineering Department - Sales Tax Program*) ♦ *Future Fort Smith Item*
- E. Ordinance declaring an exceptional situation and waiving the requirements of competitive bidding for the purchase of fine bubble diffuser assembly for the "P" Street Wastewater Treatment Plant (\$116,640.00 / *Utility Department / Budgeted - 2017 Wastewater Operating Funds*) ♦ *Future Fort Smith Item*
- F. Resolution authorizing the Mayor to execute joint funding agreements with the United States Geological Survey to install and maintain stream gauge stations in the Lee Creek and Frog Bayou Watersheds (\$91,043.00 / *Utility Department / Budgeted - 2017 Water Operating Funds*) ♦ *Future Fort Smith Item*

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Settle, seconded by Pennartz, moved adoption of all consent agenda items. Prior to the vote and regarding Item No. 3E, Director Settle noted existing diffusers are approximately fifteen (15) years old; however, its indicated that such should be replaced after ten (10) years of service. Due to such, he questioned why such were not replaced five (5) years ago. He further inquired if the non-replacement resulted in additional costs to the City and the estimated cost-savings by moving forward with replacements.

Mr. Roddy could not advise why the diffusers were not replaced five (5) years ago citing management staff at that time are no longer employed by the City. A brief explanation of the diffusers purpose was provided and a sample of the diffuser was presented to the Mayor, Board and City Administrator. With regard to cost savings, he advised that when the diffusers begin to deteriorate, more electricity as well as other options, such as additional blowers, must be utilized thereby increasing cost. He further praised City staff for recognizing the need for replacement, which *"is a cost saver."*

Director Pennartz noted the diffusers were purchased from a sole-source vendor; therefore, the City must always rely on said vendor for any future replacements, i.e. parts or actual equipment. Due to such, she questioned the lifespan of the associated equipment; how many diffusers will be replaced; and, if any other pieces of sole-source equipment are anticipated for replacement.

Mr. Roddy advised the associated machinery is a completely separate piece of equipment and the proposed item includes only diffusers, not the replacement of the equipment. 1,440 diffusers are being replaced and staff will perform each installation, which will further create a cost-savings. With regard to other sole-source items, there are

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many proprietary items within the water/wastewater realm; however, some metal items can be internally fabricated for replacement, but when it comes to plastic pieces, as is the diffusers origin, the City is "*married to*" the original vendor.

City Administrator Carl Geffken added that as processes for water/wastewater systems become more complex, it will be very difficult to find open-source equipment.

The motion remaining on the floor and the members all voting affirmatively, the Mayor declared the motion carried and the ordinances and resolutions were adopted with the ordinances given Ordinance No. 1-17 through 3-17 respectively, and the resolutions given Resolution No. R-5-17 through R-7-17 respectively.

Mayor Sanders opened the Officials Forum with the following comments offered:

► Mayor Sanders

- Re:
1. Simply conveyed he's "*glad to see*" Director Hutchings recovery from his recent shoulder surgery.
 2. Extended much appreciation to all involved in the recent Christmas Honors event to remove wreaths at the National Cemetery.
 3. Conveyed gratitude to everyone who coordinated and participated in all the Martin Luther King Jr. Day events.
 4. Reminded all of the upcoming ceremonial swearing-in and reception for new Police Chief Nathaniel Clark, which is set for 4:00 p.m. to 6:00 p.m, Thursday, February 9, Convention Center Rotunda, and invited all to attend.

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► Director Pennartz

Re: Extended a heartfelt *"thank you"* to the Board and residents who conveyed condolences upon the recent passing of her beloved sister.

► Administrator Geffken

- Re:
1. Conveyed much gratitude to the Board for allowing him to participate in Leadership Arkansas. The most recent meeting was held in El Dorado, which encompassed valuable information regarding utilization of natural resources. The next meetings will be Jonesboro and West Memphis.
 2. Noted his recent attendance, along with Director Kevin Settle and City Clerk Sherri Gard, at the Arkansas Municipal League (AML) Winter Conference in Little Rock. He noted it was good to meet with multiple elected officials from around the State, as well as get a chance to review and understand all the benefits AML offers and the support they provide to Arkansas municipalities.
 3. Announced multiple efficiency projects are forthcoming in 2017 and anticipated to be initiated in the coming weeks.
 4. Simply advised there was a *"great turnout"* at the recent Martin Luther King Jr. Day breakfast and parade.

The Board entered into executive session at approximately 6:21 p.m. and after reconvening, the Mayor announced the following appointment nomination:

SEBASTIAN COUNTY REGIONAL SOLID WASTE MANAGEMENT BOARD

Bruce King (reappointment)
Term expires January 21, 2020

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Hutchings, seconded by Catsavis, moved acceptance of the above named nomination. The members all voting aye, the Mayor declared the motion carried.

There being no further business to come before the Board, Catsavis moved that the meeting adjourn. The motion was seconded by Settle and the members all voting aye, the Mayor declared the motion carried and the meeting stood adjourned at 6:26 p.m.

APPROVED:



MAYOR

ATTEST:



CITY CLERK